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UNCLAS SECTION 01 OF 03 MANAGUA 002094

SIPDIS

AIDAC

AID FOR PEBALAKRISHNAN/FRVIGIL/AMOUSHEY, DCHA/FFP/DP,
RKAHN, LAC/CAM, AWAHAB, LAC/SPO

E.O. 12958: N/A

TAGS: [AID](#)

SUBJECT: USAID/NICARAGUA CONCURRENCE CABLE ON
ADVENTURE DEVELOPMENT AND RELIEF AGENCY (ADRA) FY 2006
DEVELOPMENT ASSISTANCE PROGRAM AMENDMENT

Summary. ADRA submitted the second phase of the Development Assistance Program (DAP) amendment to USAID Nicaragua on March 28, 2005. The first [11](#). DAP extension and program adjustment for phase two of the DAP amendment. With the results and recommendations from the Food Aid Program and [12](#). Program design and progress to date. The Nicaraguan Title II food aid program focuses on increasing food availability, food access and food [2.1](#). Agricultural activities focus on increasing the production of high-value, non-traditional crops, basic grains production, increasing high [2.2](#). Health activities focus on integrated management of common illnesses, improving prenatal and postpartum care and strengthening the relative [2.3](#). The productive component of the DAP is helping to increase the competitiveness of smallholder farmers given the challenges and opportunities [2.4](#). The marketing component complements the agriculture activities by facilitating linkages between farmers and major national and international [13](#). Program extension. The ADRA DAP will consolidate efforts directed to increasing incomes and reducing the incidence of malnutrition in up to [3.1](#). The DAP amendments for the Nicaraguan Title II programs include the following: 1) A two-year extension in the program with additional funding [3.2](#). Regarding the DA funds request in FY 06, the Mission will modify the Title II partners Transfer Authorization (TA) to create a Hybrid TA. [3.3](#). Procurement. ADRA is proposing to buy four pick ups and a tractor for the two year extension. ADRA and the other Title II partners have a [14](#). Issues letters. The issues letters were sent by FFP Washington so that the partners could clarify or respond to questions raised after the [4.1](#). Responses to threshold issues. ADRA's responses to USAID Mission and USAID Washington threshold issues are: ADRA is now requesting \$250,000 [4.2](#). Responses to non threshold issues. ADRA's responses to USAID Mission and USAID Washington non threshold issues are: ADRA revised the budget [15](#). Micro finance sustainability plan. Sixty days after the Transfer Authorization is signed, ADRA and the other Title II partners will submit [16](#). Bellmon Certification. The Bellmon Analysis was updated in January 2005. The Mission Director certified that there will be adequate storage [17](#). Usual Marketing Requirement (UMR). The UMR for wheat products to Nicaragua has been established at 48,300 metric tons (MT) and the maximum [18](#). Cooperating Sponsors Capacity. ADRA has demonstrated adequate technical, financial and managerial capability to design, implement and monitor [19](#). Funding levels recommendation. USAID/Nicaragua recommends that the FY 2002 - 2008 ADRA Title II DAP be funded in FY 2006 at the following levels.

Commodities are in Metric tons as requested in
Lines 8 and 17 of the FY 2006 Annual Estimate
of Requirements (AER) of the DAP.

Commodity	Line 8	Line 17
Corn Soy Blend (CSB)	712	400
Vegetable Oil 4Lt.can	146	90
Long grain rice	437	320
Lentils	437	320
Total Metric Tons	1,832	1,130
NS Wheat (monetization)	6,091	6,090

Section 202 (e) Level for FY 2006: US\$109,707

[110](#). Environmental Compliance Documentation: ADRA submitted the following documents as part of the Environmental Appendix: Environmental Compliance

[111](#). Host Country FFP Agreement. The Mission Director certifies that ADRA can satisfactorily operate a Title II program in Nicaragua in the absence

[112](#). USAID/Nicaragua has reviewed the ADRA DAP amendment and finds it to be consistent with the food security needs of Nicaragua, USAID/Nicaragua

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